WHAT IS CLAIMED IS:

1. A method, performed by a returns provider, of handling customer returns of items on behalf of multiple merchants, comprising the steps of:

storing a set of merchant returns rules in a processing system, such that a set of returns rules is associated with each merchant,

receiving packages containing returned items at a returns center;

wherein affixed to each package is a printed label, the label having machine readable data representing at least the identification of a merchant associated with the returned item;

scanning the machine readable data on each package;

correlating at least a portion of the machine readable data with a set of returns rules; and

notifying the merchant of a returned package, based on the results of the correlating step.

2. The method of Claim 1, wherein the method is performed by one of a number of returns stations, and at the returns station closest to the customer.

3. The method of Claim 1, wherein the machine readable data further identifies a purchase transaction.

4. The method of Claim 3, wherein the purchase transaction is represented by an invoice number.

5. The method of Claim 3, wherein the purchase transaction is represented by a customer number.

6.   The method of Claim 3, wherein the purchase transaction is represented by a product number.

7.   The method of Claim 1, wherein the machine readable label further has data representing the package origin and package delivery location, and further comprising the steps of weighing the package and using the processing system to assess shipping charges.

8.   The method of Claim 1, further comprising the step of notifying the customer of receipt of the return.

9.   The method of Claim 8, wherein the notifying is performed by postcard.

10.   The method of Claim 8, wherein the notifying is performed by email.

11.   The method of Claim 1, further comprising the step of using the machine readable data to generate a credit advice of credit for the return.

12.   The method of Claim 11, further comprising the step of notifying the customer of the credit.

13.   The method of Claim 11, further comprising the step of notifying the merchant of the credit.

14.   The method of Claim 1, further comprising the step of using the processing system to display order data associated with the package during the correlating step.

15. The method of Claim 1, further comprising the step of opening the package, and wherein the notifying step is performed after the opening step.

16. The method of Claim 1, further comprising the step of transmitting data from the scanning step to a return tracking system.

17. The method of Claim 1, further comprising the step of transmitting data about the return to the merchant.

18. The method of Claim 17, wherein the transmitting is to a customer service system of the merchant.

19. The method of Claim 18, wherein the customer service system is a website.

20. The method of Claim 18, wherein the customer service system is a call center.

21.   A method, performed by a returns provider, of handling customer returns of items on behalf of multiple merchants, comprising the steps of:

storing a set of merchant returns rules in a processing system, such that a set of returns rules is associated with each merchant,

receiving packages containing returned items at a returns center;

wherein affixed to each package is a printed label, the label having machine readable data representing at least the identification of a merchant associated with the returned item;

scanning the machine readable data on each package;

correlating at least a portion of the machine readable data with a set of returns rules; and

notifying the returnee of a returned package, based on the results of the correlating step.

22. A system for handling customer returns of items on behalf of multiple merchants, the returns being made by customers in packages having machine readable labels, comprising:

a number of return centers, having at least a scanning station for scanning the machine readable label; a sorting station for sorting the packages; and an examination station for determining the final disposition of the item; and

a processing system for storing return rules from each merchant, for receiving the machine readable data from the scanning station, for linking the package identification with the rules of a particular merchant, and for transmitting return rules for display at one or more of the return center stations;

wherein the return rules specify at least a procedure for return notifications.

23. The system of Claim 22, wherein the processing system is further operable to communicate return information to the merchant.

24. The system of Claim 22, wherein the processing system is further operable to communicate return information to the customer that returned the package.

25. The system of Claim 22, wherein the scanning station is further operable to weigh the packages, and wherein the processing system is further operable to assess shipping charges for the packages.

26. The system of Claim 22, further comprising an opening station for opening packages and examining the contents.

27. A method, performed by a returns provider, of handling customer returns of items on behalf of multiple merchants, comprising the steps of:

storing a set of item merchant returns rules in a processing system, such that a set of returns rules is associated with each merchant,

receiving packages containing returned items at a returns center;

wherein affixed to each package is a printed label, the label having machine readable data representing at least the identification of a merchant associated with the returned item;

scanning the machine readable data on each package;

correlating at least a portion of the machine readable data with a set of returns rules; and

handling the package return in response to the correlating step.

28. The method of Claim 27, wherein the handling step is performed by notifying the merchant in accordance with one or more returns rules.

29. The method of Claim 27, wherein the handling step is performed by notifying a customer in accordance with one or more returns rules.

30. The method of Claim 27, wherein the handling step is performed by disposing of the package in accordance with one or more returns rules.

31.   The method of Claim 27, further comprising the step of opening the package to extract the returned item, and wherein the handling step is performed by disposing of the item in accordance with one or more returns rules.

32.   The method of Claim 27, wherein the machine readable data identifies a purchase transaction.